

## Memorandum

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### Parks and Recreation Department

Date: October 26,, 2011  
To: Chair: Mark Mitchell Sports, Tourism, Recreation, Arts, and Cultural Development Council  
Committee  
From: Larry Funk, Senior Recreation Coordinator Kiwanis Recreation Center  
Reviewed by: David Bucher, Supervisor Kiwanis Recreation Center  
Travis Dray, Deputy Director Community Services  
Kathy Berzins, Community Services Director  
Subject: Proposed Facility Admission Fee Increases for Kiwanis Recreation Center

The Kiwanis Recreation Center is seeking approval for facility admission fee increases for the Wave Pool, Tennis and Gymnasium. These proposed increases would be effective January 1, 2012.

When the Kiwanis Recreation Center first opened, the mission was to deliver quality services to the community at a “cost recovery level” while offering “inexpensive admission fees”. This mission was accomplished and carried through the years leading up to the present. However, times have changed, economic pressures have increased and our facility prices remain the same as when the center first opened 20 years ago.

Our expenses across the board (including administration, operations, supplies and utilities) have expanded due to the maintenance and upkeep to increase the quality and value of our facility. The tennis courts received a \$975,000 facelift in the form of Rebound Ace court resurfacing. The Gymnasium boasts a 9,500 square foot Robbins wood flooring (\$100,000.00 investment) which requires an annual maintenance of \$10,000. Our wave pool has recently installed a new wave generation machine resulting in an addition \$350,000 expense. Due to these financial investments in these facilities we continue to be recognized as having the best facilities for these recreational opportunities in the Valley.

The past three years community services staff have been challenged with creating sustainable programs, and evaluating all programs and services and looking for strategic opportunities to create pricing structures that decrease and or eliminate the gap between expenses and revenues. The following attachments outline the historical data, and the proposed fees to bring the programs to a sustainable operation.

In order to retain the myriad of enriching and engaging facilities/activities offered at the facility a slight increase in admission fees is being proposed. Based upon cost comparison between comparable facilities in the valley, (Mesa, Chandler, Scottsdale, Gilbert) the following is the draft proposed facility admission fee increase.

#### Tennis Recommendations

Resident	Current	Proposed
• Daily Admission – Doubles Day	\$.75 each	\$2.25 each
• Daily Admission – Doubles Night	\$1.13 each	\$3.00 each
Non Resident		
• Daily Admission – Doubles Day	\$1.13 each	\$2.75 each
• Daily Admission – Doubles Night	\$1.50 each	\$3.50 each

Program Admission

• Challenge Court – Day	\$2.00 each	\$3.00 each
• Challenge Court – Night	\$2.00 each	\$4.00 each
• Adult Drop In – Day	\$2.00 each	\$3.50 each
• Mix & Match – Night	\$3.50 each	\$4.00 each

#### Pool Recommendations

Resident Wave Pool Admission	Current	Proposed
• Daily Admission – Ages 2-12	\$2.00 each	\$4.00 each
• Daily Admission – Ages 13+	\$4.00 each	\$5.00 each
Resident Lap Swim Admission		
• Daily Admission – Ages 2-12	\$.75 each	\$2.50 each
• Daily Admission – Ages 13+	\$1.50 each	\$3.50 each
Non-Resident Wave Pool Admission		
• Daily Admission – Ages 2-12	\$3.00 each	\$5.00 each
• Daily Admission – Ages 13+	\$6.00 each	\$7.00 each
Non-Resident Lap Swim Admission		
• Daily Admission - Ages 2-12	\$1.25 each	\$3.00 each
• Daily Admission – Ages 13+	\$2.25 each	\$4.00 each

#### Gymnasium Admissions

Resident Facility Admission	Current	Proposed
• Daily Admission – Ages 2-12	\$.75 each	\$1.50 each
• Daily Admission – Ages 13+	\$1.50 each	\$3.00 each
Non-Resident Facility Admission		
• Daily Admission – Ages 2-12	\$1.25 each	\$2.50 each
• Daily Admission – 13+	\$2.25 each	\$4.00 each

The proposed facility fee increases will supplement the overall facility annual revenue by \$50,000. Please note that when compared to local facilities, the new proposed rate is still below their comparable admissions by an average of \$1.00 while not depreciating the value of the admission or experience.

In addition, staff is researching and exploring the implementation of a customer loyalty program. By acknowledging both residents and non- residents who are frequent customers to the facility , will have the opportunity to participate in a program that rewards their visits without the hassle of daily pay, and a discounted visit along with incentivizing their experience. The tennis community made a suggestion of a program at the community meeting held in August, and staff is doing diligent work to offer a program that is fiscally responsible and yet a value to the customer.

Part of the research component of the loyalty program was to survey visitors using the facility, one of the "stand out" comments of the survey was the majority of customers who voted of "Have been coming to the facility for years". The retention of the current customer is, first and foremost. The fee increase allows the program to become sustainable and continue the services levels that meet the expectations of the recreation centers customers

Please feel free to contact David Bucher at 480-350-5791 if you have any questions or would like additional information.